

TIMBER AND WOODWORKING

Soviet-Finnish Founding of Plywood Enterprise

On July 5, 1988 founding documents were signed at the USSR Ministry for the Timber Industry in Moscow creating the first large-scale joint Soviet-Finnish industrial enterprise. It is to be known as "Chudovo-RWS" and is slated to produce about 50,000 cubic metres of high-quality large-format birch plywood annually.

This is the fourth joint enterprise linking the Ministry for the Timber Industry and foreign companies.

The founders are Novgorodlesprom - a territorial production complex - and two Finnish companies: WILHELM SCHOMANN LTD., and RAUTE LTD. (the first letters of their names form the abbreviation "RWS").

The new enterprise will be built in the town of Chudovo in Novgorod Oblast on the grounds of the Proletarskoe Znamya Match Factory, a part of Novgorodlesprom. The deadline for start-up is just 30 months from the date on which the planning documents were drawn up - a tight schedule. The factory should be operating at full capacity by 1993.

The authorized funds stand at 6.3 million roubles, of which 70% was contributed by the Soviet side and 15% by each of the two Finnish companies. Product sales will be the responsibility of Wilhelm Schomann, which has at its disposal a wide network of foreign representatives. Payments will be made in hard currency.

Speaking at the ceremonial signing of the founding documents in the boardroom of the USSR Ministry for the Timber Industry, the Minister, M.I. Busygin, said: